

United States Senate

WASHINGTON, DC 20510

October 2, 2008

Stephen B. Morris
Chairman, President and CEO
Arbitron Inc.
142 West 57th Street
New York, NY 10019-3300

Dear Mr. Morris:

As Co-chairs of the Senate Democratic Hispanic Task Force, we write to express our concerns regarding the Portable People Meter (PPM) and ask that you delay the impending commercialization of PPM.

For nearly twenty years, the Hispanic Task Force has helped ensure that the issues of greatest importance to the Hispanic community are addressed in Congress. Today, we write out of concern for the minority broadcasters who stand to be negatively affected should the PPM's flawed ratings be used as currency one week from today.

Arbitron ratings play a critical role in the advertising and radio broadcasting industry. Noting that Arbitron is the sole provider of this ratings service that functions as currency for the entire radio industry, it is essential to always consider the great responsibility and duty that Arbitron has to this industry and the American people.

Radio stations are providers of important news and critical information about issues that are vital to the people in our communities. Stations that broadcast into minority communities provide a window into their languages, views, and values that might otherwise be ignored. When we highlight these outlets, we are not just referring to broadcasters, we are referring to advocates – advocates our communities depend on.

This is why we are alarmed over PPM's methodology, which we believe adversely reduces ratings for radio stations serving minority groups. Numerous parties have raised concerns about the reliability of Arbitron's new PPM services, citing problems with its sample demographics, sample sizes and resulting ratings volatility. One of the main concerns is the disproportionately small and inconsistent sample sizes for Black and Hispanic listeners. Moreover, in January, the Media Ratings Council denied accreditation to the PPM measurement services deployed in both Philadelphia and New York, identifying problems with the company's panel results in each of these markets.

Despite inconsistencies in the ratings and the well-publicized shortfalls of PPM, Arbitron continues to move forward with plans to commercialize this service in several of the top radio markets this month. Commercializing PPM before resolving the problems associated with this new system will have a devastating impact on minority-owned


broadcasters and broadcasters serving minority communities. According to the Minority Media and Telecommunications Council, commercialization of PPM in its current state could cost minority broadcasters in excess of \$500 million annually and would cause by far the greatest loss of asset value by minority broadcasters in history, leading ultimately to the demise of approximately half of these stations.

If the commercialization plan strips revenue for stations serving minority communities, many of which already face significant barriers to accessing capital, the ultimate result will be stripping the lifeblood of those stations and cutting off the last lines of communication to many already underserved communities. Inconsistencies and dramatic drops in ratings threaten the livelihood of these radio stations to the point that many will be forced out of business. These results would have grave consequences for minority communities and the nation.

Therefore, we urge Arbitron to rescind the decision to commercialize PPM in October. Before commercializing PPM, we ask that Arbitron correct the problems associated with sample size and quality, and with the measurement and reporting of listener loyalty to stations – the greatest attribute delivered by minority owned broadcasters. At the very least, we ask that Arbitron provide a service that accurately and consistently measures listening preferences and habits of all audiences regardless of color, race, gender, culture or socioeconomic status.

We would like to acknowledge Arbitron's availability to Members of Congress, particularly the Congressional Hispanic Caucus. We hope to continue to work with you on specific issues and concerns raised herein.

Sincerely,


ROBERT MENENDEZ
Co-Chair Hispanic Task Force


KEN SALAZAR
Co-Chair Hispanic Task Force